

IN THE UNITED STATES DISTRICT COURT  
 FOR THE DISTRICT OF UTAH  
 CENTRAL DIVISION

In re:	)	
	)	
UNITED STATES OF	)	
AMERICA,	)	
	)	
Plaintiff,	)	
	)	Case No. 2:16-CR-00534
vs.	)	
	)	
LOUIS DELYNN HANSEN,	)	
	)	
Defendant.	)	
	)	
_____	)	

BEFORE THE HONORABLE CLARK WADDOUPS

July 11, 2017

Partial Trial Transcript  
 Trial Testimony of Louis Delynn Hansen

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Salt Lake City, Utah July 11, 2017

\* \* \* \* \*

THE COURT: Ready to bring the jury back?

MR. MCCAUGHEY: Yup.

MR. KAMEROS: Yes, Your Honor.

THE COURT: Bring the jury back.

MR. MCCAUGHEY: Your Honor, do you have the actual question, the actual question from the jury?

THE COURT: Yes.

MR. MCCAUGHEY: Could I take a look at it?

THE COURT: You may.

THE CLERK: All rise for the jury.

(Whereupon, the jury returned to the courtroom.)

THE COURT: We're back in session in the United States versus Hansen. The parties and the jury are present.

Members of the jury, after we closed the evidence, I received a note from one of the jurors asking the following information. "What was the timeframe, paren, dates, that his home problems start, question mark, so we can see the relevance to his tax returns."

The defense has requested that we reopen the evidence for the limited purpose to allow them to address that question. The United States objected to that, but I have agreed to allow the defense to present just an additional response to that specific question.

1 Mr. McCaughey?

2 MR. HANSEN: Do I need to take another oath?

3 THE COURT: Mr. Hansen, you understand that you still  
4 under oath.

5 THE WITNESS: Is that good for the rest of my life?  
6 Okay.

7 (Whereupon, Louis Delynn Hansen resumed the witness  
8 stand having been previously duly sworn.)

9 **DIRECT EXAMINATION**

10 BY MR. MCCAUGHEY:

11 Q. Mr. Hansen, let me just address a couple of  
12 questions to your house that you built I think it was in  
13 Orem; is that correct?

14 A. Yes.

15 Q. When did you start building this house?

16 A. Approximately '96-'97.

17 Q. Okay. And when did you run into problems,  
18 problems being court action and people forcing you to pay  
19 subcontractors and contractors?

20 A. Once we finished the house, our builder came over  
21 and told us that he had made some major mistakes and didn't  
22 bother to tell us before we started building. And he said  
23 he would be pushing the house into sheriff's auction. Um,  
24 of course, we ended up getting an attorney and we went to  
25 court for three days and at the end the judge says well, um,

1       you got the value from the subcontractors and so even though  
2       you ran out of money from your building loan, you need to  
3       pay those.

4           Q.     And approximately what year was that?

5           A.     I think that was probably '98.

6           Q.     Okay.

7           MR. MCCAUGHEY: I think that is it.

8           THE COURT: Cross-examination?

9           MR. KAMEROS: Thank you, Your Honor.

10                           **CROSS-EXAMINATION**

11       BY MR. KAMEROS:

12           Q.     So your testimony, if I understand it,  
13       Mr. Hansen, is that you couldn't pay your taxes for the  
14       years that we're talking about because you ran into  
15       financial trouble with your house between 1996 and 1998?

16           A.     I believe that was the years, yes.

17           Q.     Okay. So let's take a look at Government's  
18       Exhibit Number 1. Here it comes. Now, this is your 2005  
19       tax return and it says that you made \$56,177.00 and owed  
20       taxes of 11,881, and is your testimony that you couldn't pay  
21       the \$11,881.00 in taxes that you owed for 2005 on \$56,000.00  
22       in income seven years after your house problems because of  
23       your house problems? Is that your testimony?

24           A.     My house problems continued to escalate. We  
25       ended up going to court a second time with the mortgage

1 company in 2003, and then shortly after that we lost the  
2 house.

3 Q. I'm talking -- well, are you -- you've just  
4 testified that the problem with your house was that you had  
5 to pay the subcontractors and that's why you didn't have the  
6 money to pay your taxes, correct?

7 A. Correct.

8 Q. Okay. So let's take a look at your 2006 tax  
9 return which is Exhibit 2, and it says that in 2006, eight  
10 years after 1998 when you had to pay all these  
11 subcontractors you made \$87,014.00, and you owed \$24,513.00  
12 in taxes of which you paid none because of your house  
13 problems in 1998, correct?

14 A. I testified -- I testified yesterday because of  
15 my house problems it caused stress. Between going through  
16 two lawsuits on my house, losing my house, having to rent,  
17 the stress made it hard for me to make a living and keep up  
18 with all of the bills that I had. So yes, I did not pay.

19 Q. And so you choose so you --

20 A. I didn't choose that's just, you know, if I have  
21 bills to pay, take care of my family, the IRS comes after my  
22 family. My family comes first.

23 Q. So let's look at your 2010 return which is  
24 Government Exhibit 6. Now this is 2010, 12 years after  
25 1998, and that year you made \$160,326.00 and paid none of

1 the \$54,585.00 in taxes you owed for that year, correct?

2 A. Uh-huh (affirmative).

3 Q. And again, that's because of the problems you had  
4 with your house in 1998?

5 A. No.

6 Q. So you're changing your testimony now?

7 A. No, I'm just saying this is -- this is not. This  
8 could have been, I don't know. Well, let's see, 2000 -- I  
9 really couldn't tell you why I didn't this year -- that  
10 year.

11 Q. Okay. And then --

12 A. But it could have been. I mean the house  
13 problems escalated and took a lot of years to come out from  
14 underneath.

15 Q. Let's take a look at your 2011 return, which is  
16 Government Exhibit 7, and according to this tax return you  
17 made \$294,576.00 in 2011 and you paid \$14,500.00 in taxes  
18 but still owed 81,668, and you didn't pay any of that in  
19 2011 because of your house problems, correct?

20 A. Could have been the house problems and other  
21 problems.

22 Q. And finally -- and that was in 2011 so about  
23 13 years after 1998 and then we'll look at Government  
24 Exhibit 8 which is your 2012 return, um, and in that year  
25 you made \$56,078.00 on which you owed -- on which you owed

1       \$7,844.00 none of which you paid and that was again due to  
2       the house problems that you had, correct?

3           A.     Um, by this point, I don't know which additional  
4       problems I had. I can't -- but I believe that it wasn't all  
5       due to the house, it could have been other things, too.

6           Q.     And the litigation and the foreclosure, all of  
7       the issues relating to your house, you haven't brought any  
8       documentation of any of that, have you?

9           A.     We weren't coming into court to talk about my  
10      house so I didn't. Other than I did bring one piece of  
11      paper this morning showing a lawsuit with the mortgage  
12      company. I have that with me.

13          Q.     Didn't you say in your opening statement that the  
14      reason you couldn't pay your taxes is because you had all  
15      these problems with your house --

16          A.     I did.

17          Q.     -- and the subcontractors and going to court?

18          A.     I did.

19          Q.     And you brought none of that documentation?

20          A.     I wasn't coming here to argue about the house.  
21      We came here to talk about the IRS. And if we had come here  
22      to talk about the house, I would have come here and argued  
23      about the house.

24          MR. KAMEROS: No further questions, Your Honor.

25          THE COURT: Thank you. Any redirect?

1 MR. MCCAUGHEY: Just a couple of follow up questions.

2 **REDIRECT EXAMINATION**

3 BY MR. MCCAUGHEY:

4 Q. Mr. Hansen, is it your testimony that your  
5 problems with your house back in 1998 is what sort of  
6 started this problem --

7 A. It did.

8 Q. -- to snowball? And it went down the years that  
9 kept building up, kept building up, and you did pay taxes  
10 along, what you could pay each year, right?

11 A. I did.

12 Q. And you still continue to pay taxes?

13 A. I continue to pay.

14 Q. And you paid them in 2013, 2014?

15 A. Yes.

16 Q. '15?

17 A. Yes.

18 MR. MCCAUGHEY: That's all.

19 THE COURT: Thank you. You may step down. Does the  
20 defense now rest?

21 MR. MCCAUGHEY: We do, Your Honor.

22 THE COURT: And I assume that the government has now  
23 rested?

24 MR. KAMEROS: That's correct, Your Honor.

25 (Whereupon, the trial continued but was not

1 transcribed.)

2 STATE OF UTAH )

3 )ss

4 COUNTY OF SALT LAKE )

5

6 I, Laura W. Robinson, Certified Shorthand  
7 Reporter, Registered Professional Reporter and Notary Public  
8 within and for the County of Salt Lake, State of Utah, do  
9 hereby certify:

10 That the foregoing proceedings were taken before  
11 me at the time and place set forth herein and were taken  
12 down by me in shorthand and thereafter transcribed into  
13 typewriting under my direction and supervision;

14 That the foregoing pages contain a true and  
15 correct transcription of my said shorthand notes so taken.

16 In witness whereof I have subscribed my name  
17 this 25th day of July, 2017.

18

19

20 \_\_\_\_\_  
Laura W. Robinson

21 RPR, FCRR, CSR, CP

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